

**New Jersey Turnpike Authority
Financial Summary
For the Month Ended January 31, 2018**

ACTUAL REVENUE - January	\$ 137,840,000
ESTIMATED REVENUE - February - December	1,649,935,000
<i>Projected Annual Revenue</i>	\$ 1,787,775,000
ESTIMATED ANNUAL OPERATING EXPENSES	\$ 538,965,000
<i>Projected Net Revenue</i>	\$ 1,248,810,000
DEBT SERVICE REQUIREMENTS	804,392,000
SPECIAL PROJECT RESERVE FUND	40,490,000
MAINTENANCE RESERVE FUND	119,086,000

The following un-audited results are for the month ended January 31, 2018.¹ Based upon these results, revenues will be sufficient to satisfy the requirements of the Authority's Bond Resolution. For the twelve months ending December 31, 2018, the Authority is projected to have a debt service coverage ratio of 1.55 and a total requirements coverage ratio of 1.30.

The Authority's total revenue for the month ended January 31, 2018 was \$137,840,000, which is \$7,030,000, or 5.4%, above projections. Toll revenue was \$117,061,000, which is \$2,947,000, or 2.6%, greater than projections due in part to favorable economic conditions and stable gas prices in January 2018. Toll revenue also exceeded projections because those projections assumed both that the Pulaski Skyway would be open to two-way traffic for all of 2018 and that some traffic currently using the Turnpike would elect to travel the skyway. The Pulaski Skyway is now expected to open to two-way traffic in the spring of 2018. Revenue increased despite the effects from winter storm Grayson, a state of emergency event which occurred on January 4-5, 2018. The increase in total revenue was also due in part to higher than anticipated miscellaneous revenue and income from investments. Miscellaneous revenue, which totaled \$1,582,000, was \$738,000, or 87.4% above projections due to the addition of a new fiber lease agreement with PEG Bandwith LLC. Income from investments, which totaled \$1,703,000, was \$654,000 or 62.3% above projections due to higher yields on investments due to an increase in short-term interest rates and higher invested balances.

For the month ended January 31, 2018, traffic on the New Jersey Turnpike increased 0.9% and toll revenue increased 0.7% as compared to the same period in 2017. Toll transactions and revenue increased due to favorable economic conditions and the reopening of Interchanges 6 and 6A on the New Jersey Turnpike. Those interchanges were closed from January 20, 2017 to March 9, 2017 due to the emergency closure of the Delaware River Turnpike Bridge, which connects the New Jersey Turnpike to the Pennsylvania Turnpike. January 2018 traffic and revenue were negatively impacted by winter storm Grayson. The storm resulted in 628,000 fewer transactions and \$2,403,000 less revenue when compared to similar days in January. When adjusting for the impacts of this storm, traffic and revenue would have increased 4.2% and 3.9%, respectively. CDM Smith, the Authority's traffic engineering consultant, released a draw down letter dated March 8, 2017 updating the short-term projections of its investment grade study released in May 2014. CDM Smith projected 2018 annual traffic to decrease 1.7% and revenue to decrease 0.4%. The actual and adjusted results for the month ended January 31, 2018 were above CDM Smith's projections of a 3.3% decrease in traffic and a 2.4% decrease in revenue. Through January 2018, the E-ZPass usage rate on the New Jersey Turnpike was 86.1%, an increase from 84.1% for the same period in 2017.

For the month ended January 31, 2018, toll transactions on the Garden State Parkway decreased 0.4% and revenue decreased 0.3% when compared to the same period in 2017. Toll transactions and revenue decreased due to more severe winter weather in 2018 compared to 2017, particularly in the southern sections of the roadway. Traffic and revenue were negatively impacted by winter storm Grayson. The storm resulted in 1,094,000 fewer transactions and \$1,173,000 less revenue when compared to similar days in January. When adjusting for the impacts of this storm, Parkway traffic and revenue would have both increased 3.4%. CDM Smith's 2018 forecast projected toll transactions to increase 0.4% and revenue to increase 0.9% on the Garden State Parkway. The actual and adjusted results for the month ended January 31, 2018 were above CDM's projected decreases of 1.0% in toll transactions and 1.2% in revenue. Through January 2018, the E-ZPass usage rate on the Garden State Parkway was 82.6%, an increase from 80.9% for the same period in 2017.

Operating expenses for the month ended January 31, 2018 were approximately \$39,620,000, which was 86% of the year-to-date budget. The Authority's operating expenses through January were under budget primarily due to lower than expected snow and severe weather costs charged to operating expenses. The Authority spent a total of \$10,171,000 for snow and severe weather costs through January 2018, with \$2,863,000 spent from the operating expense budget and an additional \$7,308,000 spent from the General Reserve Fund. All snow and severe weather costs are charged to the operating expense budget with the exception of declared state of emergency events, which are charged to the General Reserve Fund. Excluding snow costs, operating expenses were 92% of the year-to-date budget. Discretionary spending and budgetary guidelines will be closely monitored and adhered to through the remainder of the year in order to control operating expenses.

The Capital Budget consists of Supplemental Capital, Maintenance Reserve, and Special Project Reserve Funds. For the month ended January 31, 2018, total expenditures were approximately \$4,869,000. Expenditures included \$1,866,000 for Turnpike Resurfacing, \$592,000 for Parkway Bridge Repairs and \$450,000 for Turnpike Bridge Repairs. In addition to the Capital Budget spending, the General Reserve Fund expenses totaled \$28,141,000 and consisted primarily of \$17,000,000 for the State Transportation Projects Funding Agreement 2016-2021, \$7,308,000 for Extraordinary Events – Snow, and \$1,833,000 for the Transportation Trust Fund.

Total expenditures in the Construction Fund for the month ended January 31, 2018 were approximately \$10,884,000. Expenses included \$3,652,000 for the Authority's Phase I Facilities Improvements project, \$1,161,000 for the Authority's Phase I Sign Replacements project, and \$915,000 for Parkway interchanges 9, 10, & 11 improvements. In addition to these expenditures, there are open contracts and commitments totaling approximately \$468,465,000.

¹ These are un-audited results. Amounts and categories of revenue and expenses may change when audited.